

February 7, 2024

Comments on House Bill 281: Remote Recreational Cabins

Dear Representative McKay and Members of House Natural Resources Committee:

I strongly support state land sales, however House Bill 281 (Remote Recreation Cabins) as currently drafted raises numerous concerns. House Bill 281 is similar to legislation considered during the previous legislative session (2021-2022 HB 195). That legislation and similar Senate legislation (2021-2022 SB 133) failed to pass. HB 281 fails to address concerns raised regarding these previous bills.

I worked at DNR for 29 years, I retired in 2010. While I was Deputy Director of the DNR Division of Mining, Land and Water, the Department worked with the legislature to revamp state land disposal programs with the following goals: 1) making more state land available; 2) increasing the likelihood of success for remote recreational sales; and 3) developing a program that would result in net revenue to the state. House Bill 281, as currently drafted, fails to achieve the second and third goals.

In addition, House Bill 281 will result in significant land use conflicts that will impact resource development on state land and will likely have negative impacts to public access and recreation. To address such conflicts that resulted from poorly planned land disposals in the 1970s, in 1978 the legislature revised Title 38 of Alaska Statutes to require decisions regarding what state land to sell be made through DNR's land use plans (Area and Management Plans) and related land classifications. HB 281 essentially allows DNR to ignore these plans.

I offer the following specific comments on four components of HB 281.

1. Section 2, 6(b) and 6(h) of HB 281 provide:

- DNR will publish a schedule of areas where someone may stake their own remote recreational site. After staking the site, the person may apply for a permit, lease, or sale of the parcel.
- DNR is not required to complete a Best Interest Finding before establishing these staking areas.
- Section 6(h) requires the purchaser to provide and pay for survey and appraisal.

This is like the existing remote recreational program with three notable changes. First is the elimination of the requirement for a Best Interest Finding. Second is the option to apply for a permit, in addition to lease or sale. The third is that it requires the purchaser to provide a survey and appraisal.

The Best Interest Finding process is where DNR evaluates and mitigates site specific land use conflicts, identifies access routes and sites to retain, and other measures to protect the public interest. Section 2 of HB 281 amends AS 38.05.035(e) to exempt remote recreation permits, leases, or sales from the Best Interest Finding.

Regarding survey and appraisal, one of the impediments to receiving title in many previous remote sale programs was the high cost to survey individual parcels. Under the existing statute and program (repealed by this statute), DNR contracts to have the land surveyed and appraised. This has proven to be less expensive for the purchaser because the cost of mobilizing and conducting the survey can be shared, and results in a much higher percentage of land being sold in the long run. HB 281 goes back to the former method, under which applicants often failed to ever purchase the land once they realized the cost to have the land surveyed.

2. Section 6, subsections (c) and (d) of HB 281, provide:

- Applicants may nominate up to 10 acres of "unencumbered" state land that is outside the areas published by DNR (the areas in Subsection 6(b) of HB 281). If the land is not classified for disposal; applicants may request the Department to reclassify the land. This will likely include requests to reclassify and lease or sell state land classified Forest Land, Public Recreation Land, Mineral Land, Oil and Gas land or land in any other reclassification.

Under sections 6(c) and (d) of HB 281, land will be nominated for remote recreational cabin sites that was determined, through a very public land planning process, should be retained in public ownership. HB 281 allows individuals to nominate land with high public recreation and wildlife values, as well as land with potential for resource development – such as oil and gas and mineralized areas.

Selling isolated tracts of state land in areas with resource development potential complicates resource development and can derail projects because of opposition from the new private landowners. Some of the most organized and vocal opponents of resource development projects in Alaska have been Alaskans who acquired nearby land through state or borough land sales. While DNR can say "no" to these requests, there will be considerable public expectations and political pressure for DNR to say "YES" to any nomination. Even if DNR says no, this creates a significant workload for DNR to deal with nominations for land that should not be available for nominations. It will be difficult for DNR to say "No" in all places where "No" is required.

3. Section 6, subparts (a), (b), and (e) allow a permit for a remote recreational site. The current remote recreation program requires applicants to either lease with intent to purchase or outright purchase. HB 281 establishes a new permit for a remote recreation site whereby an applicant can apply for and receive a 5-year permit, and the applicant can later apply for a lease or sale.

Since a permit can theoretically be given without reclassification and doesn't need a Best Interest Finding, it is essentially a land disposal program without any opportunity for other Alaskans to compete to purchase this site. A permit may occur on any land classification. A best interest finding is not required. Once the permittee asks for the land to be sold, it will be difficult to say no, especially where significant structures have been built under the permit. This permit raises the same issue of areas being nominated that should be retained in public ownership as described in by previous comment. In addition, cabin permits (compared to sales) yield very little income to the state, have resulted in numerous management problems in the past, and are a poor method for getting land into private ownership.

4. The existing statute limits leases to five years with one 5-year renewal. This allows the lessee up to ten years before they must purchase the property. Section 6(f) of HB 281 provides for ten-year leases, with up to two renewals (a total of 30 years) and Section 6 (e) provides for permits of five years, renewable four times (for a total of 25 years). These long lease and permit periods will likely result in fewer parcels being purchased in the long run. This will greatly add to DNR's administrative costs as permits and leases will need to be monitored and renewals processed for years to come. If the goal is to get land into private ownership, these time frames should be shortened.

Should HB 281 move forward, I recommend the following:

- Eliminate the Best Interest Finding exemption in Section 2
- In Section 6(c) or (d) - to avoid conflicts with resource development and public uses, specify that nominations for remote recreation cabins will not be allowed on land classified mineral land, oil and gas land, material land (sand and gravel sites), forest land, recreation land or wildlife habitat land.
- Eliminate provisions that allow for a remote recreation cabin permit.
- Reduce the length of time for permits and leases and allow only one renewal.

Thank you for the opportunity to comment.



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cc: Christy Coles, Director, DNR Division of Mining, Land and Water
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